UNITED STATES DISTRICT COURT FOR THE EASTERN DISTRICT OF TEXAS MARSHALL DIVISION

NETWORK BACKUP CORPORATION,

Plaintiff,

VS.

ALLMYDATA, INC.,
BEST BUY CO., INC.,
CARBONITE, INC.,
EMC CORP.,
IRON MOUNTAIN, INC.,
NETMASS, INC.,
OFFICEWARE CORP.
d/b/a/ FILESANYWHERE.COM,
PRO SOFTNET CORP., and
WEBROOT SOFTWARE, INC.,

Defendants.

Case No. 2:09-cv-00249

JURY TRIAL DEMANDED

ANSWER TO COMPLAINT, AFFIRMATIVE DEFENSES, AND COUNTERCLAIMS OF CARBONITE, INC.

Defendant Carbonite, Inc. ("Carbonite"), by and through its attorneys, Foley & Lardner LLP, submits its answer, affirmative defenses, and counterclaims to the Complaint of Plaintiff Network Backup Corporation ("Plaintiff" or "NBC"), as follows:

PARTIES

- 1. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 1 of the complaint, and therefore denies them.
- 2. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 2 of the complaint, and therefore denies them.
- 3. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 3 of the complaint, and therefore denies them.

- 4. Admitted.
- 5. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 5 of the complaint, and therefore denies them.
- 6. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 6 of the complaint, and therefore denies them.
- 7. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 7 of the complaint, and therefore denies them.
- 8. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 8 of the complaint, and therefore denies them.
- 9. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 9 of the complaint, and therefore denies them.
- 10. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 10 of the complaint, and therefore denies them.

JURISDICTION AND VENUE

11. While Carbonite does not contest that this Court has subject matter jurisdiction over this case, the allegations of this paragraph concerning subject matter jurisdiction are legal conclusions to which no answer is required or made. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations that NBC has standing to assert the patent-in-suit in its own name, and therefore denies them. While Carbonite does not contest that the Court has personal jurisdiction over Carbonite, the allegations of this paragraph concerning personal jurisdiction are legal conclusions to which no answer is required or made. Carbonite denies that any of its actions or contacts with Texas and the Eastern District of Texas constitute infringement or otherwise give rise to this action. Carbonite denies that it designed, made or had made on its behalf, and/or placed software products for practicing the method

claimed in Plaintiff's patent-in-suit into the stream of commerce. Carbonite denies that it sold, advertised, solicited customers, and/or marketed and distributed software products for practicing the method claimed in the patent-in-suit in this judicial district. To the extent this paragraph contains allegations relating to the activities of other Defendants, Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations, and therefore denies them. Carbonite denies the remaining allegations in this paragraph.

12. While Carbonite does not contend that venue is improper in this judicial district as to Carbonite, the allegations of this paragraph are legal conclusions to which no answer is required or made. To the extent this paragraph contains allegations relating to other Defendants, Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations, and therefore denies them. Carbonite is without sufficient information or knowledge to form a belief as to the residency of NBC, and therefore denies the allegation.

CLAIMS

- 13. In response to paragraph 13, Carbonite incorporates by reference its responses to paragraphs 1-12 as if fully set forth herein.
- 14. Carbonite admits that on its face United States Patent No. 5,133,065 ("the '065 patent") is entitled "Backup Computer Program for Networks" and issued on July 21, 1992 to Edward L. Cheffetz and Ronald C. Searls. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the remaining allegations relating to whether the '065 patent was duly and lawfully issued, whether the '065 patent was assigned to Personal Computer Peripherals Corporation, whether the '065 patent is currently assigned to Plaintiff Network Backup Corporation, or whether Plaintiff now owns the '065 patent and holds a right to sue for and recover all past damages for infringement of the '065 patent, and therefore denies

them. Carbonite admits that what purports to be a copy of the '065 patent as issued is attached as Exhibit A to the Complaint. Carbonite denies the remaining allegations in this paragraph.

- 15. Carbonite admits that NBC purports to assert only the method claims of the '065 patent.
- 16. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 16 of the complaint, and therefore denies them.
- 17. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 17 of the complaint, and therefore denies them.
- 18. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 18 of the complaint, and therefore denies them.
- 19. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 19 of the complaint, and therefore denies them.
- 20. Carbonite specifically denies that it has infringed, contributed to the infringement of, and/or induced others to infringe, in any manner whatsoever, any claim of the '065 patent. Carbonite denies the remaining allegations of paragraph 20.
- 21. Carbonite admits that it offers online backup services at www.carbonite.com, but denies that these services infringe the claims of the '065 patent. Carbonite denies that a subscriber must first register with Carbonite and then download and install Carbonite's software on the subscriber's computer. Carbonite admits that its client software is available at www.carbonite.com. Carbonite denies that its software "creates, on the subscriber's computer, a remote backup set containing a list of files located on the subscriber's computer to be backed up" within the meaning of the claims of the '065 patent. Carbonite denies that its "client software transfers the files listed on the remote backup set over the Internet to CARBONITE's remote

secure backup storage servers" within the meaning of the claims of the '065 patent. Carbonite denies the remaining allegations of paragraph 21.

- 22. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 22 of the complaint, and therefore denies them.
- 23. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 23 of the complaint, and therefore denies them.
- 24. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 24 of the complaint, and therefore denies them.
- 25. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 25 of the complaint, and therefore denies them.
- 26. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 26 of the complaint, and therefore denies them.
- 27. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 27 of the complaint, and therefore denies them.
- 28. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 28 of the complaint, and therefore denies them.
- 29. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 29 of the complaint, and therefore denies them.
- 30. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 30 of the complaint, and therefore denies them.
- 31. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 31 of the complaint, and therefore denies them.

- 32. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 32 of the complaint, and therefore denies them.
- 33. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 33 of the complaint, and therefore denies them.
- 34. Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations contained in paragraph 34 of the complaint, and therefore denies them.
- 35. Carbonite denies that any of its activities constitute infringement of the '065 patent. Carbonite denies that NBC is entitled to recover damages from Carbonite for past infringement of the '065 patent. To the extent this paragraph contains allegations relating to other Defendants, Carbonite is without sufficient information or knowledge to form a belief as to the truth of the allegations, and therefore denies them. Carbonite denies the remaining allegations in this paragraph.

DEFENSES

Without altering the burdens of proof, Carbonite asserts the following affirmative and other defenses against NBC:

FIRST DEFENSE: (FAILURE TO STATE A CLAIM)

1. NBC fails to state a claim upon which relief can be granted and/or fails to plead the required allegations with sufficient particularity.

SECOND DEFENSE: (INVALIDITY)

2. The '065 patent is invalid for failure to satisfy the requirements of Title 35 of the United States Code, including without limitation one or more of 35 U.S.C. §§ 101, 102, 103, and/or 112.

THIRD DEFENSE: (NON-INFRINGEMENT)

3. Carbonite has not directly or indirectly infringed the '065 patent.

FOURTH DEFENSE: (PROSECUTION HISTORY ESTOPPEL)

4. Any claim of infringement under the doctrine of equivalents would be limited by prosecution history estoppel.

FIFTH DEFENSE: (EQUITABLE DEFENSES)

5. NBC is barred by the doctrines of estoppel, laches, unclean hands, waiver and/or other applicable equitable doctrines.

SIXTH DEFENSE (NO INTENT TO INDUCE INFRINGEMENT)

6. Carbonite does not infringe any claims of the patent-in-suit, and thus lacked any specific intent to infringe any claim the patent-in-suit, foreclosing liability for inducement of infringement.

SEVENTH DEFENSE (LIMITATIONS ON DAMAGES)

7. NBC's right to seek damages and costs is limited pursuant to 35 U.S.C. § 286.

OTHER DEFENSES

8. Carbonite presently has insufficient knowledge or information on which to form a belief as to whether it may have additional, as yet unstated, affirmative defenses available. Carbonite reserves the right to assert additional affirmative defenses under Rule 8(c) of the Federal Rules of Civil Procedure or any other defenses, in law or in equity, that may exist or in the future be available based on the discovery and further factual investigation in this case.

COUNTERCLAIMS (Declaratory Judgment)

For its counterclaims against NBC, Defendant and Counterclaim Plaintiff Carbonite avers as follows:

PARTIES

- 1. Carbonite, Inc. ("Carbonite") is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business at 334 Boylston St, 3rd Floor, Boston, MA 02116.
- 2. Upon information and belief, Plaintiff Network Backup Corporation ("NBC") is a Corporation organized and existing under the laws of the State of Texas with a place of business located at 911 NW Loop 281, Suite 211, Longview, Texas 75604.

JURISDICTION AND VENUE

- 3. These are counterclaims for declaratory judgment under 28 U.S.C. §§ 2201 and 2202, and 35 U.S.C. § 1 *et seq.*
 - 4. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331 and 1338(a).
 - 5. Venue is proper within this judicial district under 28 U.S.C. §§ 1391 and 1400(b).

GENERAL ALLEGATIONS

- 6. On August 18, 2009, Plaintiff brought an action in this judicial district against Carbonite for alleged infringement of the '065 patent.
- 7. A justiciable controversy exists between Carbonite and NBC concerning the non-infringement and invalidity of the '065 Patent.

FIRST COUNTERCLAIM (NON-INFRINGEMENT)

- 8. Carbonite has not directly or indirectly infringed the '065 patent.
- 9. Carbonite is entitled to a declaratory judgment that Carbonite does not infringe the '065 Patent.

SECOND COUNTERCLAIM (INVALIDITY)

- 10. The '065 patent is invalid for failure to satisfy the requirements of Title 35 of the United States Code, including without limitation one or more of 35 U.S.C. §§ 101, 102, 103, and/or 112.
 - 11. Carbonite is entitled to a declaratory judgment that the '065 patent is invalid.

JURY TRIAL DEMANDED

Carbonite demands a jury trial on all issues related to its counterclaims.

PRAYER FOR RELIEF

WHEREFORE, Carbonite prays for entry of judgment:

- A. That dismisses NBC's Complaint with prejudice, and that NBC take nothing thereby;
 - B. Declares that the '065 patent is invalid;

- C. Declares that Carbonite has not infringed the '065 patent;
- D. Awards Carbonite its costs incurred herein;
- E. Declares this case exceptional, and awards Carbonite its attorney's fees pursuant to 35 U.S.C. §285; and
 - D. Awards such other and further relief as the Court may deem reasonable and just.

Respectfully submitted,

Dated: September 11, 2009 CARBONITE, INC.

/s/ Michelle A. Flores

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ATTORNEYS FOR DEFENDANT CARBONITE, INC.

CERTIFICATE OF SERVICE

I hereby certify that on September 11, 2009, all counsel of record who are deemed to have consented to electronic service are being served with a copy of this document via the Court's CM/ECF system per Local Rule CV-5(a)(3). Any other counsel of record will be served by facsimile transmission and/or first class mail on this same date.

/s/ Michelle A. Flores
Michelle A. Flores